

## **WFP FOOD SECURITY UPDATE:**

*"Food security exists when all people at all times have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and satisfy their food preferences and thus conduct a healthy and active life." (World Food Summit 1996)*



### **SUMMARY:**

Under the two year PRRO which started in September 2005, WFP has been assisting 480,000 food insecure non refugees throughout the occupied Palestinian territory (West Bank and Gaza Strip). WFP beneficiaries assisted fall within three categories: (i) Social Hardship Cases: 39 percent of the caseload, (ii) New Poor: 59 percent of the caseload, (iii) Institutional Feeding: 2 percent of the caseload.

Since January 2006, a financial crisis of the PNA combined with a dramatic increase in closures have led to a rapid escalation in poverty, market price increases of basic food commodities and critical exhaustion of coping strategies. These trends have in turn led to a sharp increase in food insecurity leading to increased reliance of WFP beneficiaries and growing needs for food assistance. WFP have been following the situation closely and started to prepare a contingency plan from February 2006 to prepare for an increased response should the situation continue.

By April 2006, there were increasing signs that a humanitarian crisis was unfolding in the oPt. On this basis, in May 2006, WFP/FAO conducted an Emergency Food Security Needs (EFSN) review to quantify the increased needs. This review identified a 14% increase in food insecurity (c.f. the Needs Assessment Framework figures of July 2005); affecting a total of almost 2 million Palestinians including a new group of 200,000 extremely vulnerable non-refugees previously able to cope. Hence in order to reduce the impact of the current crisis on the most vulnerable non-refugee population and in response to the increased needs, WFP intends to activate its contingency plan as of June expanding the number of people assisted by 25% to 600,000 non-refugees.

## **BACKGROUND - REASONS FOR THE INCREASED FOOD INSECURITY LEVELS:**

The EFSN review highlighted the most important trigger factors accentuating food security levels to be: (i) impact on household income of the cut in Palestinian National Authority (PNA) direct payments and suspension of tax revenue payments, and (ii) increased closures/effects of accelerated barrier construction: (iii) avian influenza

### **(I) The financial crisis in the PNA accentuated by the cut of direct funding to the PNA and Israel's suspension of tax repayments:**

The financial crisis in the PNA is directly affecting all sectors of society in oPt, exacerbating an already difficult situation. The cut of direct funding to the PNA has directly resulted in:

- ❖ Delayed payment of an estimated 165,000 PNA employees; low level income employees with no savings are the most affected.
- ❖ Halt of cash assistance payments to the Social Hardship Cases from the Ministry of Social Affairs (since February 2006); increasing their reliance on the timely delivery of WFP rations);
- ❖ Reduction in support to the extended family members of the PNA employees (estimated at over 1,000,000 people) who are dependant on their **relatives' support**. These people are now facing severe difficulties covering their basic food needs;
- ❖ Critically low levels of cash in the local economy and increasing signs of a severe economic recession affecting markets and agricultural production cycles.

### **(II) Increased closures/effects of accelerated construction of Israel's security barrier:**

- ❖ Repeated and extended closures since January 2006 have prevented increasing numbers of employees from having timely access to their place of work and farmers to their land affecting their income and threatening their livelihood.
- ❖ In the West Bank, and particularly in the Gaza Strip, the impact of increased closures and trade restrictions on suppliers is resulting in mounting market/food trade disruption and fragmentation, a shortage of basic food commodities and is contributing to the liquidity crisis. The loss of export capacity in Gaza has led to tens of millions of dollars of losses monthly to the Palestinian economy.

### **Gaza Strip closures:**

The main crossing point for goods from Gaza to Israel (Karni crossing) has been closed for over 50 percent of the current year. There have been two main impacts of this closure on food security:

- ❖ Palestinian produce from the Gaza Strip (tomatoes, cucumbers, strawberries) has been unable to cross via Israel to international markets resulting in tens of millions of dollars of losses, weakening the Palestinian economy and increasing poverty among farmers and labourers. As a consequence, the Gaza market has become flooded with the locally produced commodities, reducing prices below production costs.
- ❖ The closures have stopped all import of goods from Israel resulting in food shortages and inflated prices for basic goods. Gaza is completely reliant on Israel for the supply of basic food commodities (wheat flour, sugar, oil) and many other essentials such as dairy products and meat. The price increases are affecting the poorest sector of society most heavily.
- ❖ Furthermore, WFP is facing increasing difficulties in providing timely food assistance to the most vulnerable and food insecure population in Gaza owing to repeated closure of the main Gaza terminal (Karni crossing).

### **West Bank barrier/ closures:**

- ❖ The accelerated completion of Israel's West Bank Barrier, combined with strict permit restrictions, internal travel restrictions between West Bank towns and now additional closures since 12th March (6 weeks to date), preventing even permit holders (workers and traders) from accessing work in Israel are creating an incredibly difficult situation for inhabitants.
- ❖ The entire population of the West Bank is affected on a daily basis by these restrictions and the income of tens of thousands of people is being affected. Prices of basic commodities are increasing owing to the travel difficulties faced by traders and farmers which are affecting the traditional rural- urban markets. Furthermore continued land expropriation and destruction of livelihood assets to make way for the West Bank Barrier and settlement infrastructure continue to constitute a shock to some household economies with a higher impact on poor families.

### **(III) Effects of avian influenza combined with fishing restrictions (Gaza Strip only)**

- ❖ On 22<sup>nd</sup> March, the Palestinian Ministry of Agriculture officially confirmed the presence of the H5N1 strain of the avian influenza virus in Gaza Strip. Culling is underway. No human cases have been confirmed so far. The outbreak threatens over 2.2 million poultry in the Gaza Strip. Owing to the loss of chicken from the diet, Gazans have been forced to search for alternative sources of animal protein such as beef, lamb and fish. Beef/lamb supplies have been severely impacted by the avian flu epidemic and the closure of Karni and prices have already doubled.
- ❖ Fish supplies are becoming an issue of concern as the avian flu combined with the Gaza (Karni) closures (reducing fish imports) have more than doubled the local demand for fish, increasing the pressure on Gaza fishing grounds. Israel restricts fishing grounds to 6-10 nautical miles from the shore on security grounds, despite an agreement under the Oslo accord for 20 miles of fishing grounds; the resultant over-fishing of this important breeding area, combined with pollution has led to a critical depletion of fish stocks. This threatens some 35,000 people in Gaza who rely on fishing as their primary livelihood and income source, and the food security of the wider population.
- ❖ WFP is concerned about a decline in the protein intake of the poorest families in Gaza, resulting from the loss of poultry from their diet and the rising prices of alternative animal proteins.



### **IMPACT OF THE CRISIS AND FOOD SECURITY INCREASE ON THE POPULATION:**

The current crisis in oPt has affected not only the food insecurity of Palestinians but also their means by which to survive. Poor families who used to be able to cope in times of hardship are now facing increasing difficulties to cover their families basic food needs:

- ❖ The liquidity crisis and widespread nature of the current crisis has affected the available coping strategies of beneficiaries. A widespread coping strategy in oPt is use of social capital (borrowing between families and communities vis-à-vis informal credit/loans); however this has become progressively exhausted during the current crisis as the majority of people are suffering from reduced incomes.

- ❖ Another common coping strategy is credit from local shops however small shops and businesses are unable to absorb the shock of the greatly increased demand for credit and lack of cash which is fracturing their trade relationships and threatening the future of their businesses.
- ❖ Thus many shops are now refusing credit from PNA employees. Attempts to sell productive assets (e.g. animals, land), household assets (e.g. cars) and private assets (e.g. jewellery) have become limited now by the liquidity crisis. This leaves affected families with few options to survive the current situation other than incurring debts, withdrawing children from school, cutting down expenses on health services and reducing the number and quality of meals— which not only reduces daily caloric intake but also the overall nutritional value (quality) of food consumed.

### WHO ARE THE MOST AFFECTED?

The following groups have been heavily affected by the crisis:

- **Social Hardship Cases** throughout the West Bank and Gaza Strip, reliant on social assistance, who haven't received their cash payments, from the Ministry since February 2006.
- **Low income PNA Employees:** This group of employees has few savings or access to credit and thus the delay in income is immediately affecting their food security (and that of their dependants).
- **Small shop owners in the Gaza Strip:** Palestinian traders and small shop owners are severely affected by the closure policies. The lack of movement of Palestinian passengers and goods has a direct impact on the flow of commercial goods reducing profits and increasing costs. Many factories and shops have decreased the number of workers to reduce costs, and it is estimated that many small businesses will no longer be viable should the situation continue.
- **Small farmers:** Owing to the extended closures, the majority of basic agricultural inputs such as seedlings and fertilizers (imported from Israel) are no longer available in markets throughout the West Bank and Gaza Strip. Gaza farmers are most affected due to the severity of the Karni terminal closure.

### WHO ARE THE MOST VULNERABLE FOOD INSECURE GROUPS TO BE TARGETED WITH WFP ASSISTANCE?

**The most food insecure sectors of society continue to be those with heightened nutritional needs and poor income sources: households with many children, poorly educated people and the elderly.**

Pregnant/lactating women and children are among the most vulnerable segments of the population in the present crisis as iron deficiency (seriously affecting pregnant women and having a direct negative impact on their child), lack of vitamin A, and iodine deficiency are common nutritional problems in oPt.



According to the CARE/John Hopkins Nutrition Assessment (2004), 22 percent of children between 12 and 59 months suffer from vitamin-A deficiency and another 53.9 percent are borderline deficient. The present crisis, limited access to food, is likely to contribute to higher micronutrient deficiencies and potential rise in wasting (weight-for-height) and stunting (height-for-age). WFP will work with UNICEF and WHO to put in place a nutrition monitoring surveillance system in order to monitor increased rates of wasting and stunting. This will help WFP and UNICEF make timely programming decisions with regard to the potential needs for general food distributions supported by selective feeding (SFP/TFP).

The target groups assisted will be reviewed again in the WFP/FAO Comprehensive Joint Food Security Assessment in August 2006.

**WFP RESPONSE:**

WFP Response is based on the internal contingency plan prepared progressively from February 2006 to May 2006. Field reports now indicate a strong need to activate the contingency plan as of June in order to respond to the increased needs, buffering the most vulnerable non refugees from the impact of the cut in PNA funding and increased closures on their livelihoods and helping to prevent deterioration in the nutritional status of vulnerable groups. On this basis, WFP is preparing to increase its operation by 25% to cover the basic food needs of this new group of extremely poor and vulnerable non-refugees. **This assistance will help ensure that the most vulnerable sector of the population receive a healthy, balanced diet with all necessary micronutrients needed to grow properly and mitigate health problems.**

**WFP EXPANDED CASELOAD:**

Category	Gaza Strip	West Bank	Total	%
Social Hardship Cases	103,500	137,000	240,500	40%
New Poor	92,300	250,200	342,500	57%
Vulnerable groups in Institutions	5,000	12,000	17,000	3%
TOTAL	200,800	399,200	600,000	100%
	33%	67%	100%	

**WFP REVISED BUDGET- PER YEAR:**

<b>FINANCIAL SUMMARY</b>	
<i>Budget Items</i>	US\$
Direct Operational Costs (DOC)	42,089,036
Direct Support Costs (DSC)	6,732,071
Indirect Support Costs (ISC)	3,417,477
TOTAL	52,238,584